PEC CSR Guidelines

August 2026

PEC Holdings Co., Ltd.
Pacific Engineering Corporation

Introduction

As a leading company in automotive fuses, we aim to contribute to the long-term growth of the Company and to the development of a sustainable society. These Guidelines set out our CSR policy, including sustainability, and the fundamental matters we are currently promoting in order to achieve these aims.

1. Safety and Quality

As a component manufacturer responsible for the "safety and comfort" of a motorized society, we will consistently and reliably provide the technologies and products our customers need, always one step ahead, and contribute to the development of the automotive industry.

1) Providing products and services that meet consumer and customer needs

Through a strong commitment to quality and conscientious conduct, we will continue to provide products and services that meet the needs of all consumers and customers.

2) Ensuring rigorous safety and quality governance for products and services

We will produce and provide products and services that comply with safety and quality laws, regulations and other requirements, and we will strengthen our governance.

3) Ensuring the safety and quality of products and services

Mindful that "we are engaged in manufacturing components entrusted with people's lives," we will strive to ensure safety and quality.

2. Human Rights and Labor

We will comply with the laws and regulations of each country and region where we do business, respect international norms such as the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and respect human rights in the countries and regions where we conduct business activities.

1) Prohibition of forced labor and human trafficking

We will comply with the laws and regulations concerning workers' human rights in the countries and regions where we conduct business activities, and we do not permit forced labor in any form.

2) Prohibition of child labor

We do not permit child labor, and we will observe the minimum working age set by law in the countries and regions where we conduct business activities. We also do not engage young workers in hazardous or harmful work.

3) Prohibition of discrimination and harassment

We do not permit any form of discrimination based on race, gender, sexual orientation or gender identity, age, disability, religion, ethnicity, nationality, place of origin, social origin, marital status, whether a person has children, or any other grounds. Nor do we permit violence, power harassment, sexual harassment, maternity harassment, harassment related to family care leave or any other conduct, whether physical or psychological, that threatens the dignity of the individual.

4) Respect for freedom of association and the right to collective bargaining

We will engage in constructive dialogue between labor and management and respect freedom of association and the right to collective bargaining. In accordance with the laws and regulations of each country and region, we will respect, and will not obstruct, employees' freedom to join labor unions and the right of labor unions to bargain collectively.

5) Working hours and wages

In accordance with the laws and regulations applicable in the countries and regions where we conduct business activities, we will properly manage employees' working hours, days off, leave and wages, and comply with the minimum wage requirements of each country.

6) A safe and secure working environment

In accordance with the laws and regulations applicable in the countries and regions where we conduct business activities, we will protect the safety and health of our employees and strive to create a workplace where people can work comfortably, both physically and mentally.

7) Respect for the human rights of external stakeholders

We respect the human rights not only of our employees but also of local residents affected by our business activities, the employees of our suppliers, and the users of our products.

3. Environment

As a company located in Ogaki, the "City of Water" blessed with abundant water resources, we believe it is our mission to pass on this rich natural environment to the next generation, and we will work to protect the environment under the slogan "Creating an Earth-Friendly Environment."

1) Environmental management

To promote a wide range of environmental activities, we will comply with the laws and regulations of each country and region, build a company-wide management system, and continuously operate and improve it.

2) Reducing greenhouse gas (GHG[*1]) emissions

To help prevent global warming, we will manage greenhouse gas emissions from our business activities with a view to achieving carbon neutrality, and we will promote the reduction of greenhouse gas (GHG) emissions by improving production efficiency, advancing energy-saving initiatives, using renewable energy and other means.

*1: Abbreviation for “greenhouse gas”

Examples include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF_6).

3) Protecting the air, water, soil and other aspects of the environment

We will comply with the laws and regulations of each country and region concerning the protection of the air, water, soil and other aspects of the environment, and we will strive to protect the environment.

4) Efficient use of resources

We will comply with the laws and regulations of each country and region concerning the proper treatment and recycling of waste and related matters, and we will promote the effective use of resources.

5) Chemical management

We will manage chemical substances that may be environmental pollutants safely. With regard to our products, we will ensure that they do not contain chemical substances prohibited by the laws and regulations of a country or region when supplied in that country or region, and we will guarantee that they do not contain such substances. We also do not use prohibited chemical substances in our manufacturing processes, and for chemical substances designated by the laws and regulations of each country and region, we will determine their emission volumes and report them to the authorities as required by law.

6) Conserving biodiversity

We understand the importance of conserving biodiversity and will give it the utmost consideration.

7) Environmentally conscious product development

By advancing the initiatives in 2) to 6) above, we will make environmentally conscious proposals for the products and services we provide.

4. Responsible Procurement

Together with our suppliers, we will carry out the following procurement activities in order to fulfill our social responsibilities regarding human rights and labor, the environment and business ethics throughout the supply chain.

1) Communicating these Guidelines

We will notify our suppliers of the content of these Guidelines and ask them to conduct their business activities in line with their intent. When doing so, we will obtain confirmation of receipt.

2) Environmentally conscious procurement

We will promote procurement activities that take into account greenhouse gas emission reduction, resource circulation and the management of hazardous chemical substances, and we will ask our suppliers to give the same consideration.

3) Supplier assessment

We will regularly assess our suppliers' initiatives on human rights and labor, the environment and business ethics using questionnaires and other means. Prior to assessment, we will conduct a risk analysis to determine which suppliers are to be assessed.

4) Audits and corrective action

We will conduct audits of suppliers as necessary. If a serious violation of laws or regulations or a serious deviation from these Guidelines is identified, we will request corrective action and support the supplier's improvement.

5) Responsible mineral sourcing

We will conduct procurement activities that take into account the impact on local communities of the use of mineral resources that may give rise to social problems such as human rights and environmental issues (conflict minerals[*2], cobalt, etc.). Where minerals of concern are used, we will take steps toward eliminating their use.

*2: Tin, tantalum, tungsten and gold

5. Compliance

We view compliance broadly as our "social responsibility." To further strengthen the trust society places in us, we will raise employees' awareness of compliance and conduct thorough in-house training.

1) Compliance with laws and regulations

We will comply with the laws and regulations of each country and region. We will also put in place mechanisms to ensure thorough compliance, including a compliance structure, consultation desks and a whistleblowing system, and training.

2) Compliance with competition laws

We will comply with the competition laws of each country and region, and we do not engage in conduct such as private monopolization, unreasonable restraint of trade (cartels, bid rigging, etc.), unfair trade practices or abuse of a superior bargaining position.

3) Anti-corruption

We will make political contributions, donations and the like in accordance with the laws and regulations of each country and region, and strive to maintain transparent and fair relationships with political and administrative bodies. We do not offer or accept entertainment, gifts or money to or from business partners for the purpose of obtaining or retaining improper benefits or preferential treatment.

4) Prevention of money laundering

We do not engage in money laundering or terrorist financing in any way.

5) Prohibition of conflicts of interest

We do not engage in any conduct that serves the interests of ourselves as individuals, our suppliers or third parties at the expense of the Company's interests.

6) Management and protection of confidential information

We will obtain confidential information, such as customer information, technical information and personal information, only by legitimate means, manage it strictly, use it within the appropriate scope, and protect it.

7) Whistleblower protection

We will protect employees and other related parties from being subjected to dismissal, threats, harassment or any other adverse treatment as a result of having raised a complaint.

8) Export control

We will carry out appropriate export procedures and controls for the export of technologies, goods and other items regulated by the laws and regulations of each country and region.

9) Protection of intellectual property

We will properly manage and protect the intellectual property rights we hold, respect the intellectual property rights of third parties, and do not acquire, use or infringe such rights improperly.

6. Information Disclosure

Recognizing that the disclosure of important information decided by the Company is also one of the key issues in corporate governance, we place importance on dialogue with our diverse stakeholders and strive to disclose information in a timely and appropriate manner.

7. Operation of These Guidelines

1) Scope

These Guidelines apply to all officers and employees of PEC Holdings Co., Ltd. and Pacific Engineering Corporation. Subsidiaries in Japan and overseas shall establish policies in line with these Guidelines in accordance with their respective laws, regulations and circumstances. The provisions of Chapter 4 apply to transactions for raw materials, parts, auxiliary materials and outsourced processing purchased by the Company.

2) Responsibility

The person responsible for the operation of these Guidelines shall be the Director in charge of the Corporate Planning Division, and the secretariat shall be the General Affairs Group, Corporate Planning Division. Matters relating to Chapter 4 shall be implemented by the Purchasing Group, Sales Division.

3) Review

These Guidelines will be revised as necessary in light of amendments to laws and regulations, changes in our business, and requests from customers and suppliers.

Established: July 2023 / Last revised: August 2026 (3rd edition)

Takahisa Ogawa, President and Representative Director

Appendix Revision History

Edition	Revision date	Details of revision	Approval
1st	July 2023	Established	
2nd	July 2025	Added “Protection of intellectual property”	
3rd	August 2026	Created “Responsible Procurement” (Chapter 4); added “Respect for the human rights of external stakeholders” (Chapter 2, 7)), “Prevention of money laundering” (Chapter 5, 4)) and “Operation of These Guidelines” (Chapter 7); moved “Responsible mineral sourcing” to Chapter 4	